

## Office Developments

Plaza 600, located at 600 Stewart Street in Denny Triangle, is due for additional capital [investment](#). Owned by BentallGreenOak (BGO) and local partner Urban Renaissance, the 209,256-square-foot tower recently secured \$10 million in recapitalization funding. In 2023, the building underwent significant upgrades, including modernized systems, a renovated lobby, and the addition of a bike room and other enhancements. Now aiming to attract new tenants, BGO plans further improvements to the elevators and the introduction of move-in-ready offices, branded as “MIRO Suites.” Rob Naso of BGO also announced a loan restructuring, enabling the landlord to offer more competitive lease terms to prospective tenants.



PLAZA 600



LOBBY



ELEVATOR BANK



BIKE STORAGE



CONFERENCE ROOM



SITTING AREA

## Office Building Sales

The 143,922 square foot Colman building, located at 801 1st Avenue near Pioneer Square, finally [sold](#) after being on the market since May of 2024. Previously owned by Unico Properties who purchased the property for \$37 Million in 2019, the building sold for \$9.5 Million or roughly \$66 per square foot. The new owner, Coleman 811 1st Ave LLC, is associated with Auburn investor Jaskaran (Jay) Singh Bhullar. The building is 40% vacant and the county currently assesses the value at \$27 million.

Local investor Dru Agarwal and his Landmark Event Company recently [acquired](#) the 2801 Alaskan way- Pier 70 building for \$11 million or roughly \$102 per square foot. Agarwal plans to keep the pier’s retail tenants, which include Aqua by El Gaucho and Pub 70.

## Office Leases

Brooks Running is [expanding](#) its office space, counter to the trend of companies downsizing in the hybrid work era. The company recently opened CornerStone, a five-story, 114,000-square-foot building next to its Fremont headquarters in Seattle. This expansion accommodates employees from product development, design, legal, HR, finance, communications, and research teams, about half of Brooks’ 500-person corporate workforce. Employees are required in-office Tuesday through Thursday, with many also coming in on Mondays and Fridays. The new office, developed by Evolution Projects, features sustainability-focused design elements as part of Seattle’s Living Building Pilot Program. It includes amenities like a cafeteria, gym, bike repair station, and an interactive running route display.

It was [reported](#) in January that Ai2 Incubator has leased roughly 50,000 square feet of office in Pier 70 located at 2801 Alaskan Way along Seattle’s waterfront. The 107,389 square foot building was made famous in 1998 as the home of MTV’s Real World show. In January it was also reported the building was purchased by Landmark Event Company.

Company	Building   Address	RSF
 <b>BROOKS</b>	CornerStone 3524 Stone Way N	114,000
 <b>Ai2</b>	Pier70 2801 Alaskan Way	50,000



CORNERSTONE



PIER 70



## Returning to Office

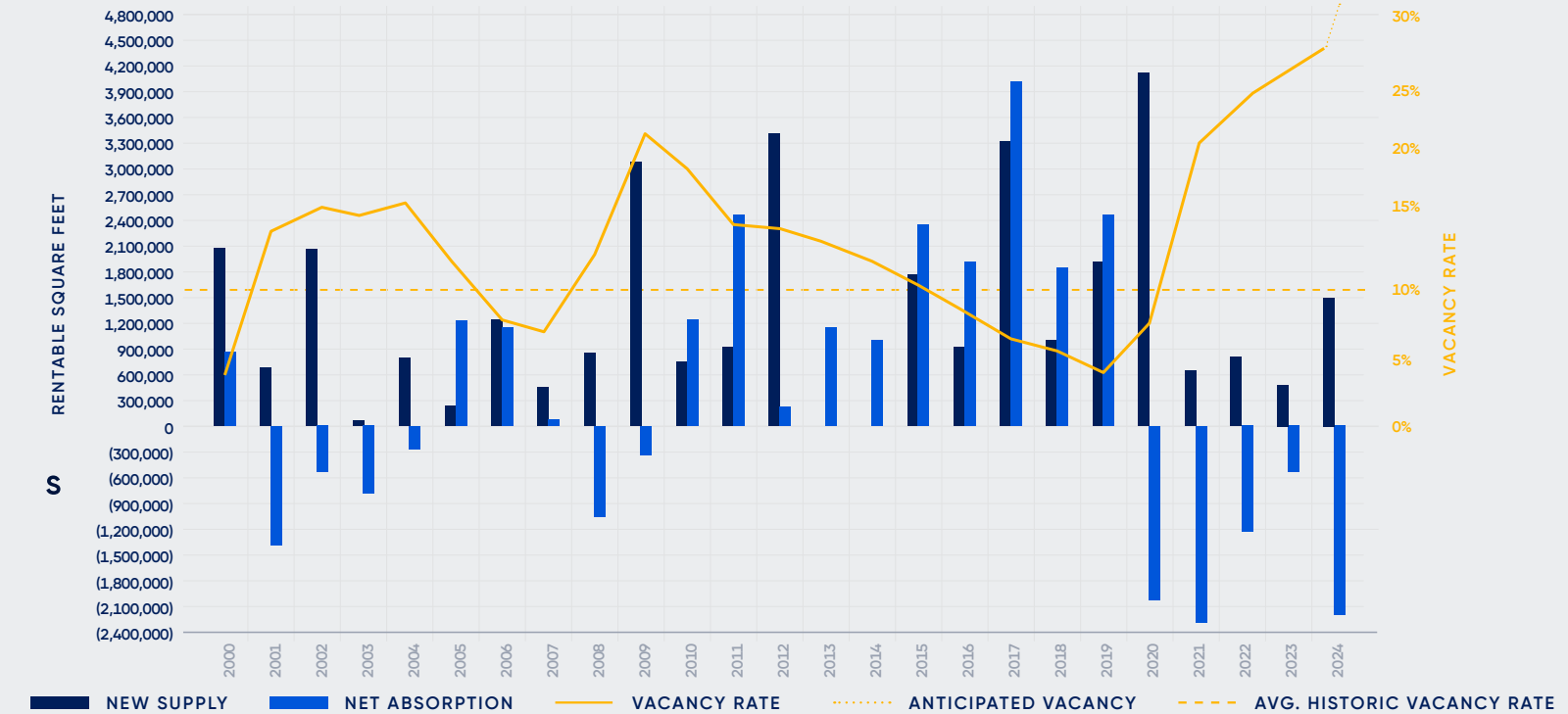
On January 20, 2025, President Donald Trump signed an [executive order](#), titled Return to In-Person Work, mandating that all federal employees return to the office full-time, five days a week, as soon as practicable. The order applies to all executive branch departments and agencies, with heads of those departments allowed to make exemptions where necessary. Trump has been vocal about his opposition to remote work, and this move was expected based on his prior statements.

Amazons' decision to [shift](#) from its three-day hybrid work policy to a full five-day in-office schedule is affecting 50,000 Seattle-based employees and is expected to influence other companies to reevaluate their own workplace policies. While most companies maintain hybrid policies, Amazon's approach stands out, particularly as downtown Seattle struggles with high office vacancy rates. City leaders view the return of office workers as crucial for revitalizing downtown Seattle, driving downtown foot traffic, supporting small businesses, and enhancing public safety. Despite bringing people back to the office, Amazon has reduced its Seattle office space letting leases expire and giving up 595,000 square feet downtown to move employees to nearby Bellevue.

Kieran Snyder, co-founder of Textio, has led both remote and in-office teams and decided to [examine data](#) on team performance of in-office employees vs. remote employees. Her analysis, while not definitive, provides a few interesting revelations. First, across 200 hours of recorded meetings, constructive disagreements occur 1.5 times more often in in-person meetings than in remote meetings. Also in those meetings, a much smaller percentage of people contribute to the discussion when the meeting is remote vs in person. Finally, of the 180 startups Kieran met with in the first half of 2024, 64% of in-person startups showed positive growth signals compared to 33% of the remote startups. Although remote work offers benefits like flexibility, reduced commuting, and wider hiring options, the data suggests in-office teams perform better.



Seattle Overall Office Availability, Supply & Absorption Rates



## Downtown Recovery

Seattle is making efforts to [revitalize](#) downtown through scheduled restoration actions, including increased police presence, graffiti removal, and public space activations. According to data from the Downtown Seattle Association from December 2024, the city saw a 5% increase in weekday workers compared to the previous year, averaging over 75,000 workers daily. The increase is bolstered by return to office policies, increased safety perceptions, and attractions like the newly opened Overlook Walk. Efforts included over 3,600 hours of activities in downtown parks and the opening of 88 new street-level businesses.

As the 2026 World Cup [approaches](#), Seattle has set aside millions of dollars in the 2025-2026 budget for hosting four group-stage matches and two knockout round matches at Lumen Field. Seattle Center will serve as a fan hub for 20,000 attendees, with additional hubs planned across Washington. In addition, the city is seeking state and federal funding to enhance areas like Pioneer Square, Seattle Center, and Third Avenue. Safety measures will include increased police presence and car barricades, while expanded bus and rail services aim to ease transit. The event is projected to generate \$929 million for King County, create 20,700 jobs, and attract 750,000 visitors.



## Jobs

Construction job growth is [slowing](#), with the industry adding only 8,000 jobs in December, according to an analysis by Associated Builders and Contractors (ABC). Nonresidential construction accounted for most of the gains, with specialty trade adding the most jobs. Despite a 2.4% year-over-year increase in construction employment, the unemployment rate in the sector rose to 5.2% in December. ABC Chief Economist Anirban Basu noted that the job growth in the fourth quarter of 2024 was the lowest since mid-2021.



## Venture Capital

According to a new [report](#) from Seattle-based PitchBook Data and the National Venture Capital Association, Seattle-area startup secured \$583 million across 65 deals in the fourth quarter and \$3 billion in all of 2024. That's down from \$1.1 billion across 92 deals the previous quarter and down slightly from \$3.1 billion for the entire year of 2023. Early 2025 however, has seen a surge in major funding for local startups, including Tune Therapeutics (\$175M), Truveta (\$320M), Umoja Biopharma (\$100M), and Stoke Space (\$260M), signaling a strong start to the new year despite a slow end to 2024.



## Other News

Seattle's traffic congestion [increased](#) by 9% in 2024, with drivers losing an average of 63 hours to delays, costing \$1,128 per person in lost productivity. This rise is attributed to the return-to-office policies of major employers like Amazon, which recently required its 50,000 Seattle employees to work in-office full-time. Remote work in Seattle dropped 19% from 2022 to 2023, while transit use rose 24% but remained below pre-pandemic levels. Seattle's unique geography and concentrated downtown workforce contribute to its traffic issues. A \$203 million Interstate 5 improvement project starting in 2025 is expected to worsen congestion temporarily, potentially increasing reliance on transit.



## Economy

U.S. new vehicle sales [rose](#) 2.7% in 2024, reaching over 16 million units—the highest since 2019—despite prices remaining 27% above pre-pandemic levels. Discounts and lower interest rates helped make vehicles slightly more affordable, with further price relief expected later in 2025. 2024 EV sales grew 8.8% to nearly 1.3 million, which is a slowdown from 2023's 47% surge.



## Housing

The Seattle area's population [grew](#) by nearly 2,400 in 2024, reaching over 108,000 according to the Downtown Seattle Association. The growth is driven by an influx of younger more diverse residents. The median age dropped to 34, with the share of 25- to 34-year-olds increasing by nearly 14%. Additionally, the proportion of male residents rose to 57%. Seattle's real estate market reflects this growth, with 16 projects completed in 2024, primarily residential, adding nearly 2,000 housing units and 300 hotel rooms. Looking ahead, the city's development pipeline includes over 15,500 residential units, 1,569 hotel rooms, and 10.6 million square feet of commercial space, underscoring continued confidence in Seattle's future as a thriving economic and cultural hub.

Downtown Seattle's median asking rent [rose](#) 2.5% in December to \$2,000, marking the first increase in 17 months, according to Redfin. The rise comes ahead of Amazon's mandate requiring corporate and tech employees to return to the office five days a week, though the long-term impact remains uncertain. Seattle's rental market has fluctuated significantly in recent years. Median rents dropped to \$1,399 in early 2021, then surged to \$3,118 in August 2022 before falling 36% due to a surge in apartment construction deliveries. While new apartment development has kept rents relatively stable, Amazon's return-to-office policy may drive demand in inner-ring neighborhoods. Capitol Hill saw the largest year-over-year increase in rent in December, rising 7.2% to \$1,825. Experts predict rents may climb further as construction slows and more workers seek housing closer to downtown offices.